

Dear City Mayors or Managers,

Attached is the resolution passed by the Town of DISH on July 14, 2008, requesting the Texas State Legislature give a municipality greater authority over natural gas midstream pipeline companies. The requested date to return the passed resolution to DISH is by October 1, 2008; however, the next legislative session is not until after the first of the year, so before January 1, 2009 will be fine for the purpose. I would like to clarify the purpose of this resolution to those that may not have dealt with this issue.

The Barnett Shale adds approximately 10 billion dollars and 100,000 jobs to the Texas economy. This is not meant to attack the shale, but highlight the importance of doing this responsibly. The State of Texas is not currently forcing the companies to do it right, and they are not doing it on their own. With the pipelines in particular, they have been a great deal of power, and are using it quite recklessly.

Several of these pipeline companies are affiliated with operators such as Chesapeake, or XTO. These companies were started to prevent the operators from needing to use independent pipeline companies to transport the natural gas to market. Therefore, instead of using an existing pipeline, the companies choose to install their own. So in some cases you may have three or four pipelines where one would do the job. Each pipeline takes a 50 or 100 ft permanent easement, which can have nothing but grass or crops on it. No trees or permanent structures may be on top of the easement...ever. If this pipeline is going through an area that is dedicated as a park or green belt, that is one thing, but it may be going through a future commercial district or some other high end development. Right now the municipalities do not have the power to force the companies to change the route they take, or even to having any input on it to prevent negative impacts on our economic development.

The Town of DISH is located north of Texas Motor Speedway, right off Highway 156. We are a small community of about 150 people, and two square miles in size. In these two square miles we have ten pipelines running across our town. Not all of these are main lines only five or six, the rest are feeder lines from the wells to the main lines. However, some of our prime development property has been destroyed. This has cost property owners in DISH hundreds of thousands of dollars, and the town millions of dollars in property tax valuations. Don't let this happen to you. If you wait until the problem is apparent, it will be too late.

I have sent this resolution to several other municipalities asking for support, I would like to extend this request to you. I will present all of the signed resolutions to state legislature, in hopes that new legislation will be implemented. If you need further information on the resolution, and would like me to speak at a council meeting, I will be happy to do so. Currently, there have been 15 cities that have passed the resolution and sent the signed copies to DISH. I was hopeful to get 50 cities to join us, and though that may happen, realistically, I expect 35-40 total. I have already gotten the legislature's attention, and feel very strongly that something will be done. If you have any further question or I may be of any help, please do not hesitate to contact me. Thanks.

P.S. Recently Grand Prairie has found themselves in this situation, please read the article about the lawsuit at

http://www.wfaa.com/sharedcontent/dws/news/localnews/stories/DN-gpsuit_03met.ART.State.Edition1.26ea8bf.html.

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